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# IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC COOPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES

## Implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries by the bodies of the United Nations system

### Note by the Secretary-General

1. In its resolution 1990/54 of 24 July 1990, the Economic and Social Council, recalling General Assembly resolution S-18/3 of 1 May 1990, containing the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, recommended to the governing bodies of the organs and organizations of the United Nations system that they include in their agendas the question of the implementation of the Declaration and invited them to report to the Council, at its second regular session of 1991, on steps taken by them and by Governments within their respective spheres of competence, with a view to ensuring the implementation of the Declaration.

2. On 4 March 1991, a note verbale from the Director-General for Development and International Economic Cooperation was sent to the executive heads of the organs and organizations of the United Nations system with a request for information on the implementation of the Declaration by their respective bodies for transmission to the Council. As at 3 June 1991, replies had been received from 19 bodies of the United Nations system. The substantive portions of those replies are reproduced in the annex to the present note. Further replies received will be circulated as addenda to the present document.

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* E/1991/100.

Annex

REPLIES RECEIVED FROM BODIES OF THE UNITED NATIONS SYSTEM

CONTENTS

| | | Page |
|---|---|---|
| I. | UNITED NATIONS | 3 |
| | A. Centre for Human Rights of the United Nations Office at Geneva | 3 |
| | B. United Nations Conference on Trade and Development | 4 |
| | C. United Nations Development Programme | 6 |
| | D. United Nations Environment Programme | 6 |
| | E. United Nations Population Fund | 11 |
| | F. Economic Commission for Africa | 15 |
| | G. Economic Commission for Latin America and the Caribbean | 18 |
| | H. Economic and Social Commission for Asia and the Pacific | 20 |
| II. | SPECIALIZED AGENCIES AND RELATED ORGANIZATIONS | 24 |
| | A. International Labour Organisation | 24 |
| | B. Food and Agriculture Organization of the United Nations | 25 |
| | C. International Civil Aviation Organization | 29 |
| | D. World Health Organization | 30 |
| | E. International Monetary Fund | 32 |
| | F. Universal Postal Union | 33 |
| | G. World Meteorological Organization | 36 |
| | H. International Maritime Organization | 37 |
| | I. World Intellectual Property Organization | 38 |
| | J. United Nations Industrial Development Organization | 38 |
| | K. General Agreement on Tariffs and Trade | 39 |

# I. UNITED NATIONS

## A. Centre for Human Rights of the United Nations Office at Geneva

1. Although the Centre for Human Rights has no primary programme in the field of economic cooperation, it has a keen interest in the issue of revitalization of economic growth and development of the developing countries, especially as it relates to the right to development, which has been recognized by the General Assembly as an inalienable human right. As stated in the Declaration on the Right to Development and underlined by the participants of the Global Consultation on the Right to Development, held at Geneva in January 1990, to achieve this right for all human beings the international community, as well as States, have the duty to cooperate in ensuring development and in eliminating obstacles to development.

2. The Centre therefore welcomes the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries.

3. The need for international cooperation has also been emphasized by the Special Rapporteur, Mr. Danilo Türk, in his preliminary report on the realization of economic, social and cultural rights (E/CN.4/Sub.2/1989/19). The Special Rapporteur, who was appointed by the Subcommission on Prevention of Discrimination and Protection of Minorities in its resolution 1988/33 of 1 September 1988, was requested, inter alia, to take into account issues relating to the integration of human rights concerns in the policies of United Nations development and financial agencies and institutions and of the specialized agencies, as well as to pay special attention to the human rights aspects of such problems as the interrelationship between structural adjustment and food security, employment, health care, education and cultural development.

4. The Special Rapporteur, who recently held fruitful discussions with relevant United Nations departments in New York and the international financial institutions in Washington, expects to submit his final report on the realization of economic, social and cultural rights to the Subcommission on Prevention of Discrimination and Protection of Minorities at its forty-fourth session.

## B. United Nations Conference on Trade and Development*

1. At its eighteenth special session, the General Assembly adopted the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries.

2. In its resolution 1990/54, the Economic and Social Council recommended to the governing bodies of the organs, organizations and bodies of the United Nations system that they include in their agenda the question of the implementation of the Declaration and invited them to report to the Council, at its second regular session of 1991, on steps taken by them and by Governments, within their respective spheres of competence, with a view to ensuring the implementation of the Declaration.

3. The Declaration was the first comprehensive statement on development issues by the General Assembly in several years. It may be considered as the highest-level effort by Member States to define a consensual framework for meaningful action and negotiations on specific development issues during the 1990s. It was also the basis for the formulation of the International Development Strategy for the Fourth United Nations Development Decade. The Final Act of the seventh session of the United Nations Conference on Trade and Development (UNCTAD) and the declaration adopted by the Trade and Development Board on the twenty-fifth anniversary of UNCTAD can be seen as earlier steps in the same direction, dealing with largely similar issues.

4. Virtually the entire substantive content of the Declaration is germane to the current activities of UNCTAD. The orientations provided by the Declaration for national and international policies and multilateral cooperation are broadly relevant to the substantive agenda for the eighth session of UNCTAD. Indeed, the Conference will be the principal occasion for UNCTAD to contribute to the implementation of the Declaration within its sphere of competence.

5. In addition, a number of specific action-oriented aspects of the Declaration are the subject of intergovernmental deliberations in UNCTAD and related bodies. The principal topics dealt with in parts II and III of the Declaration - those indicating action to be taken in the 1990s - are listed below, with reference to the locus of action under the auspices of UNCTAD.

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* Previously issued under the symbol TD/B/1287.

| | Topic | Declaration paragraph | Intergovernmental body |
|---|---|---|---|
| (a) | Interdependence, policy coordination and integration of the world economy, including the integration of Eastern European countries | 12-15, 19, 21-22, 35 | Trade and Development Board |
| (b) | National economic policies to promote effective resource use and human development | 17-18, 23-25 | Committee on Invisibles and Financing related to Trade |
| (c) | Environment and sustainable development | 16, 29 | Trade and Development Board and Committees |
| (d) | External debt problems of developing countries | 26 | Trade and Development Board and Committee on Invisibles and Financing related to Trade |
| (e) | Development finance, including resources for multilateral financial institutions and finance diverted from military expenditures | 27, 29-31 | Trade and Development Board and Committee on Invisibles and Financing related to Trade |
| (f) | Scientific and technological capacity of developing countries | 28-29 | Committee on Transfer of Technology |
| (g) | International trade issues: protectionism, market access, systemic and institutional issues | 32 | Trade and Development Board, Committee on Manufactures and Special Committee on Preferences |
| (h) | Commodity issues | 33 | Committee on Commodities |
| (i) | Regional economic integration among developing countries | 34 | Trade and Development Board and Committee on Economic Cooperation among Developing Countries |
| (j) | Least developed countries | 13, 27 | Second United Nations Conference on the Least Developed Countries and follow-up arrangements |

6. The above notes are intended to provide a basis for the Board to respond to Economic and Social Council resolution 1990/54. A summary of the intergovernmental deliberations under this item, as well as any relevant information provided to the secretariat by member States, will be reported to the second regular session of 1991 of the Economic and Social Council.

## C. United Nations Development Programme

With regard to the revitalization of economic growth and development of developing countries, the activities of the United Nations Development Programme, as a development organization, are geared towards the attainment of that objective. In this connection, the Governing Council, at its thirty-seventh session, in June 1990, by decision 90/34, adopted the proposal for the fifth programming cycle. In addition, by decision 91/3, the Governing Council, at its special session in New York in February 1991, approved special programme resources for the fifth cycle and their allocation to several categories such as the special plan of economic assistance to Central America, the United Nations Programme of Action for African Economic Recovery and Development and private sector development. Moreover, apart from the assistance provided by UNDP, within the framework of country programmes, in strengthening national development planning and public sector management in recipient countries, the Programme's support for such thematic activities as poverty eradication and grass-roots participation in development; management development; environmental problems and natural resources management; transfer and adaptation of technology for development, as well as the assistance provided in the context of aid coordination such as round tables and the national technical cooperation assessments programme (NaTCAP) exercises, are all, individually and collectively, geared towards the revitalization of economic growth and development in developing countries through the promotion of human development.

## D. United Nations Environment Programme*

1. The United Nations Environment Programme (UNEP) strongly affirms that there is a need to revitalize growth and development in the developing countries, in line with the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, as set out in General Assembly resolution S-18/3 of 1 May 1990. Living conditions in Africa, Latin America and the Caribbean and in parts of Asia have deteriorated, impairing stability and the prospects for growth and development. Environmental neglect and degradation have played a critical part in perpetuating economic stagnation in many developing countries. Growing environmental problems, such as pollution, desertification, deforestation and climate change, increasingly pose a serious

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* Previously issued under the symbol UNEP/GC.16/4/Add.4/Supplement.

threat to the future growth of the world economy. Economic growth and development in the developing countries are essential in order to address the problems of degradation of the human environment and to protect the environment. Likewise, economic growth cannot be revitalized and sustained unless environmental problems are addressed effectively. International economic cooperation has to play a key role in helping the developing countries break out of the vicious circle of environmental degradation, economic stagnation and mass poverty.

2. To make a breakthrough, it is essential that international economic cooperation, national economic management, environmental management and social development policies and programmes address the root causes of poverty and economic stagnation. Inequalities in international economic relations, coupled with short-sighted economic and social development policies in many countries, continue to undermine sustainable development and bring about environmental degradation.

3. Many developing countries today find themselves unable to mobilize the necessary finances to (a) apply available technology to meet the environmental quality standards for safeguarding human health or (b) fulfil obligations under international environmental agreements. The heavy burdens of debt servicing, restricted access to the markets of developed countries, unfavourable terms of trade for exports, a drop in private foreign investments, reduced development aid flows and the implementation of austerity measures in the wake of structural adjustment and economic reforms have made it practically impossible for most developing countries to allocate adequate finances for environmental conservation and rehabilitation. In the absence of such allocations, productivity, incomes, savings and investments decline, mortality increases, expectations become pessimistic and economic growth remains elusive. The developing countries need to be assisted by way of concessionary transfers of environmentally sound technology, more open access for their exports to the markets of developed countries, debt relief and restructuring, and concessionary additional finance to address the pressing challenges of managing their natural resources and environment.

4. Present levels and means of international economic cooperation are inadequate to improve environmental management and revitalize and sustain economic growth in the developing countries. New means, based on a firm commitment to global solidarity and long-term well-being, have to be found through international economic cooperation. The establishment of the Global Environmental Facility (GEF), jointly managed by the World Bank, UNDP and UNEP, and of the Interim Multilateral Ozone Fund, under UNEP, to help finance developing countries' initiatives to prevent depletion of the ozone layer, are two recent examples of innovative international financing mechanisms. They illustrate the fact that, given the political will, it is possible to address global environmental challenges in a concerted manner. It is now necessary to extend this success in global environmental cooperation to international economic cooperation and, in the process, link the two firmly together, in order for them to be mutually supporting.

5. GEF and the Interim Multilateral Ozone Fund, which are based on voluntary government contributions, will help to meet only a small part of the developing countries' needs for additional finance. The global challenges of enhancing international economic cooperation and revitalizing economic growth are pressing enough to explore how finances can be raised by levying global charges for depletion of scarce natural resources and for global or transfrontier pollution, by internationally applying the "polluter pays" principle, and by establishing mechanisms to allocate funds mobilized in this way to revitalize economic growth, transfer the necessary technology to the developing countries, and promote international trade, investments and better environmental management in all countries.

6. The revitalizing of economic growth requires the coordinated implementation of social development, economic development and environmental management policies in the developing countries, as well as international economic and environmental cooperatic to support the developing countries' efforts. As stressed earlier, environmental degradation is both a major effect and a cause of economic stagnation. Without committed policy reform in the developing countries and innovative international cooperation from the developed countries, encompassing policy adjustments and financial transfers, it will not be possible to overcome this stagnation. And, as indicated earlier, if growth is not revitalized in the developing countries there is little prospect of accentuating and sustaining world economic growth and well-being.

7. Since the mid-1970s, UNEP, by way of its contributions in policy analysis and guidance, has elucidated the interrelationships between population, natural resources, environment and development. UNEP has also highlighted the linkages between mass poverty, a failure to satisfy basic needs, and environmental degradation. The work of UNEP has helped put in perspective the issues of rapid population growth and its spatial distribution, the carrying capacities of ecosystems, patterns of development and lifestyles in developing and developed countries, and policies and patterns of international economic cooperation and international development cooperation. Since its inception, UNEP has consistently stressed that environmental issues often have their roots in social and economic policies and practices, and that they cannot be effectively dealt with in the absence of an integrated approach to environment and development.

8. The enhancement of international economic cooperation will not automatically improve environmental conditions in the developing countries or revitalize and sustain economic growth; such cooperation needs to be guided and monitored towards that objective. For example, in the face of stringent environmental standards and regulations in certain countries, transnational corporations may be inclined to relocate polluting technologies and equipment to the developing countries. Moreover, such investments in the developing countries may not be accompanied by the management regimes required to minimize the known environmental risks. Similarly, exports of environmentally hazardous chemicals to the developing countries, when unaccompanied by relevant information and without the prior informed consent of the recipient

country, may pose serious risks to the environment, human health and safety. Exports of hazardous wastes to developing countries that lack the capacity to treat them and dispose of them safely may wreak havoc on the water supplies, agriculture, tourism, ecosystems and human health.

9. To help build up the positive support between international economic cooperation, environmentally sound development and economic growth, UNEP has worked with Governments and organizations and bodies of the United Nations system to mobilize and disseminate relevant information and analyses, provide the required principles and guidelines, promote the development of methodologies to interlink environmental and development concerns, and catalyse intergovernmental agreements. The UNEP International Register of Potentially Toxic Chemicals disseminates information on hazardous chemicals and, in collaboration with the World Health Organization (WHO) and the International Labour Organisation (ILO), provides guidelines on chemical safety. In 1989, the Governing Council of UNEP adopted the Amended London Guidelines for the exchange of Information on Chemicals in International Trade; UNEP monitors their implementation, with particular attention to the prior informed consent (PIC) procedure. UNEP is preparing draft model national legislation to assist the developing countries in implementing the Amended London Guidelines, and plans additional efforts to develop similar guidance material for the other functional components of a comprehensive chemical management scheme.

10. Under the auspices of UNEP, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal was adopted in March 1989. In 1985, UNEP collaborated with the United Nations Centre for Transnational Corporations to prepare a survey of environmental aspects of activities of transnational corporations that, inter alia, made recommendations on integrating environmental management considerations into the investment practices of transnational corporations. In collaboration with UNCTAD, UNEP prepared studies on the possible impact of environmental policies on international trade. UNEP catalysed the establishment of the Committee of International Development Institutions for the Environment, which regularly reviews the performance and policies of multilateral development institutions in terms of their impact on the environment. UNEP collaborated with UNDP and the World Resources Institute on the International Conservation Financing Project, which examined ways and means of raising additional finance to enable the developing countries to address their environmental management challenges. UNEP collaborates with the World Bank, UNDP and other concerned organizations and bodies of the United Nations system to provide advice and assistance to the developing countries to enhance their capabilities to plan environmentally sound development. UNEP also provides for relevant training and exchange of expert experience in this field.

11. One special feature UNEP brings to bear on promoting positive support between international economic cooperation, environmental management and economic growth is the information, data, analyses and coordination it provides to address subregional, regional and global environmental problems. The Action Plan for the Environment in Latin America and the Caribbean, the

African Ministerial Conference on the Environment, the Council of Arab Ministers responsible for Environment, the action plans to deal with environmental problems of regional seas around the world, the Convention on International Trade in Endangered Species (CITES), and the Montreal Protocol on Substances that Deplete the Ozone Layer exemplify, in various ways, how UNEP has sought to relate international environmental cooperation to international economic cooperation and to link both of them to environmental policies and development patterns within countries.

12. In conclusion, UNEP also believes, as stated in paragraph 29 of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, that the current threat to the environment should be the common concern of all countries, and that all countries, developed or developing, must take effective action to protect and enhance the environment in accordance with their respective capacities and responsibilities. Without environmentally sound development, it will not be possible to revitalize and sustain economic growth. New and additional finance will have to be channelled to developing countries to enable them to deal with global, regional and domestic environmental problems. Moreover, through international environmental and economic cooperation, effective modalities have to be explored by means of which the developing countries can obtain favourable access to and transfers of environmentally sound technologies.

13. GEF and the Interim Multilateral Ozone Fund are promising beginnings. UNEP will continue to work with Governments and the bodies and organizations of the United Nations system, including UNCTAD, the United Nations Industrial Development Organization (UNIDO), UNDP, the World Bank, the Food and Agriculture Organization of the United Nations (FAO), the World Intellectual Property Organization (WIPO) and the General Agreement on Tariffs and Trade (GATT), in order to utilize the full potential for building mutual support between international economic cooperation, environmentally sound development and economic growth.

14. The main challenges now are (a) how international economic cooperation may be accelerated and channelled to enable the developing countries to diversify their economies and cut the mismanagement of their natural resource base; (b) how technologies, equipment and expertise for minimizing air and water pollution and land degradation may be transferred to and effectively used in the developing countries; (c) how the developing countries may be enabled to mobilize adequate levels of finance for investment in rehabilitating natural resources and improving the urban environment; (d) how the development of technologies to improve efficient energy use and optimize the use of renewable natural resources can be encouraged in the developing countries; and (e) how international economic cooperation can enable the developing countries to adjust policies and programmes to alleviate mass poverty and evolve a more broad-based pattern of economic growth. The Environmental Perspective to the Year 2000 and Beyond, which provides a framework for national action and international cooperation, as well as strategic pointers for the adjustment of international economic relations to

promote environmentally sound development, was adopted by the Governing Council in its decision 14/13. It was transmitted to the General Assembly and subsequently adopted (resolution 42/186). It is incumbent upon the international community to implement the policy measures in respect of international economic relations as contained in the Environmental Perspective.

## E. United Nations Population Fund

1. The United Nations Population Fund (UNFPA) has taken a number of initiatives to ensure the implementation of Economic and Social Council resolution 1990/54 and the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, within its activities and spheres of influence and competence. In so doing, the Fund has taken and continues to take into account General Assembly resolutions 44/210 on future needs in the field of population, including the development of resource requirements for international population assistance, 45/216 on population and development, 45/199 on the International Development Strategy for the Fourth United Nations Development Decade, 45/206 on the implementation of the Programme of Action for the Least Developed Countries for the 1990s and 45/211 on the United Nations Conference on Environment and Development.

2. Specifically, UNFPA has intensified its coordinating activities, both among its field and headquarters staff, its activities to strengthen the technical capacity of the developing countries to manage their population and development programmes, to increase their self-reliance in carrying out censuses and surveys, and its activities in improving and enhancing the role of women in development. Copies of the Amsterdam Declaration, which was the basis for General Assembly resolutions 44/210 and 45/216, have been sent to all countries and to all resident coordinators.

3. The UNFPA Programme Review and Strategy Development exercise was created to provide the basis for strategic planning in the population field, with the purpose of facilitating the setting up of priorities by Governments and of directing, to such strategic priorities, the funds available from local and external resources. The objective of the exercise is to assist Governments in developing or strengthening national population programme strategies within the framework of their overall development objectives and in becoming self-reliant in the formulation and implementation of population policies. The goal is also to assist Governments, UNFPA and other donors in delineating their programmes in support of the policies and strategies set by the Government.

4. In recognizing the pivotal role of women in development and to continue to create awareness of the vital linkage between the status of women and the implementation of sustainable development initiatives, UNFPA has recently issued a publication entitled Incorporating Women into Population and Development. It is a practical guide to enable those associated with UNFPA programming - UNFPA staff, technical experts, staff of executing agencies, and

national counterparts - to amplify the participation of women in the design and management of population and development initatives. The publication addresses each of the Fund's work plan categories from the women's perspective and includes material for advocacy and guidelines for delineating a gender impact statement, and provides basic concepts in the area of women and development and on the use of the gender analysis framework.

5. UNFPA programmes in the 1990s have been designed explicitly to take into account the critical links between resource investments in health and education (especially for women) and efforts aimed at poverty alleviation and safeguarding the environment.

6. Pursuant to General Assembly resolution 45/216 on population and development, which, inter alia, further encouraged the Fund, UNICEF, WHO and other relevant United Nations and specialized agencies to strengthen their cooperation in the field of maternal and child health care and family planning, each within its own mandate, a set of goals for the health and development of women and children were initiated, which were common to WHO, UNICEF and UNFPA. These include, inter alia, the following: a reduction of maternal mortality rate by 50 per cent and a reduction of infant and under-five child mortality rates in all countries between the year 1990 and 2000; access by all couples, especially women, to family-planning information and services so as to avoid pregnancies that are too early, too late, too many or too frequent during a woman's reproductive cycle; and ensuring access to, and improvement in the quality of, education for girls and women and to remove obstacles that hamper their active participation.

7. The Fund has been actively pursuing the goal of implementing the joint proposal of UNICEF, UNFPA and the Statistical Office of the United Nations Secretariat to establish a statistical programme to monitor the achievement of social goals in the 1990s, which were recommended for adoption by national Governments. The terms of reference for a pilot study to be conducted in six countries was tested in one country and the results are being studied. The role of the regional commissions in the pilot studies are to be articulated further.

8. UNFPA actively participated in the World Summit For Children, which resulted in the inclusion in the Plan of Action of the synergistic added benefits that flow from promoting maternal and child health programmes and family planning together with respect to accelerating the reduction of both mortality and fertility rates and lowering rates of population growth.

9. UNFPA has continued its involvement in the work of the Joint Consultative Group on Policy (JCGP) by nominating a number of staff members as focal points to work on specific JCGP activities/working groups in the following areas: harmonization, women in development, structural adjustment, Africa, common premises and services, and overall policy and technical issues.

10. During 1990, the Fund participated in three meetings of the Development Assistance Committee (DAC) which resulted in an explicit endorsement of DAC conclusions on population and development and the development of new initiatives linked to increasing coordination and resources, both nationally and internationally, to slow population growth. The participants at a high-level DAC meeting highlighted specific operational implications for aid agencies in this regard.

11. UNFPA is participating, together with the World Bank and others, in efforts to mitigate the social development consequences of ongoing structural adjustment programmes and changes.

12. UNFPA also undertook a study on estimates of contraceptive commodity needs and costs by the year 2000. The study is being used as the basis for a report, requested by the UNDP/UNFPA Governing Council in 1989, for submission to its thirty-eighth session in June 1991. The study was undertaken in close cooperation and consultation with a selected number of experts, developing countries, bilateral agencies and non-governmental organizations. Two expert meetings were held in 1990 to review methodological issues in contraceptive costs estimates and to obtain a consensus on the approaches to be applied in the study. In addition, in late February 1991, UNFPA convened a two-day Consultative Meeting on Contraceptive Requirements in Developing Countries by the Year 2000. The Meeting focused on projections of contraceptive commodity needs and costs, the role of local production, community-based distribution/social marketing, the share of the commercial sector, and financial implications, as well as on cooperation needed between Governments of developing countries, donor organizations and concerned non-governmental organizations to meet the needs. It was attended by 43 participants from selected developing countries, aid organizations of major donor countries, relevant international and non-governmental organizations.

13. With reference to General Assembly resolution 45/211 on the United Nations Conference on Environment and Development, UNFPA sponsored, in early March 1991, a special meeting on population and development, in response to (a) the request made during the first Preparatory Committee meeting, held in August 1990, that the Secretary-General of the Conference submit to the Preparatory Committee at its second session a progress report underlining the close relationship between development and environment, as well as the relationship between demographic pressures and unsustainable consumption patterns and environmental degradation; and (b) General Assembly resolution 45/216 on population and development, in which the Assembly further emphasized the importance of addressing the relationship between demographic pressures and unsustainable consumption patterns and environmental degradation during the preparatory process of the United Nations Conference on Environment and Development, taking into account the subsequent decisions of the Preparatory Committee for the United Nations Conference on Environment and Development, in accordance with General Assembly resolution 44/228 of 22 December 1989.

14. The participants in the meeting included 31 population and environment experts and observers, who agreed, by consensus on a formal statement on population and environment, which emphasized that the ingredients to imaginative policy and planning in the area of population and development could begin with development of national capacities, whereby Governments could better institute their own mechanisms to assess and plan for sustainable populations and natural resource use. In the statement, participants also agreed that cooperation between international agencies and non-governmental organizations could further facilitate the process by sharing methodologies and analytical frameworks for monitoring and evaluating problems; by providing training in the skills required to integrate population issues into national environment strategies; and through joint ventures in which intersectoral facets of environment and population problems could be taken up.

15. To further emphasize the interrelationship between population and environment, the Executive Director of UNFPA, in her capacity as Secretary-General of the International Conference on Population and Development, 1994, addressed the second Preparatory Committee meeting of the United Nations Conference on Environment and Development, in early April 1991.

16. The convening of an international meeting on population in 1994, which was decided by the Economic and Social Council in resolution 1989/91, is also a part of the implementaton of Council resolution 1990/54 and the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries. The first Preparatory Committee meeting was held in early March 1991. At that meeting, it was decided that the meeting should be called the International Conference on Population and Development, 1994. The Preparatory Committee also invited the Secretary-General of the Conference and all concerned organs, organizations and bodies of the United Nations system to draw upon the guidelines provided by the Declaration and the International Development Strategy for the Fourth United Nations Development Decade, as well as the results of the Second United Nations Conference on the Least Developed Countries, the United Nations Conference on Environment and Development, the International Forum on Population in the Twenty-first Century and other recent major intergovernmental instruments and meetings in the preparatory activities of the International Conference on Population and Development, 1994.

17. The overall theme of the 1994 Conference is population, sustained economic growth and sustainable development. The six major issues to be discussed at the Conference include: (a) population growth, changes in the demographic structure, including ageing of population, and their regional diversities, with particular emphasis on interaction between demographic variables and socio-economic development; (b) population policies and programmes, with emphasis on the mobilization of resources for developing countries at the national and international levels according to each country's capacity; (c) the interrelationship between population, development, environment and related matters; (d) changes in the distribution of population, including socio-economic determinants of internal migration and its consequences for urban and rural development, as well as determinants and consequences of all types of international migration; (e) linkages between

enhancing the roles and socio-economic status of women and population dynamics, including adolescent motherhood, maternal and child health, education and employment, with particular reference to the access of women to resources and the provision of services; and (f) family-planning programmes, health and family well-being.

## F. Economic Commission for Africa

1. The Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, is consistent with the spirit and broad objectives of the Lagos Plan of Action, the United Nations Programme of Action for African Economic Recovery and Development (1986-1990) and the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation. These policy documents have provided the basis on which the Commission's current medium-term plan and programme of activities have been drawn.

2. Recent observed trends in global economic and political relations, as well as the realities of the internal African economy today, point to three interlocking priorities for regional cooperation for development in Africa. These are:

(a) The need for regional and subregional economic integration;

(b) Implementation at the national, subregional and regional levels of the African Alternative Framework for Structural Adjustment Programmes for Socio-Economic Recovery and Transformation;

(c) Support to the priority sectors of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 and the Lagos Plan of Action.

3. Regional economic integration in Africa constitutes an area in which there is no longer ambivalance given the persistent weaknesses of many African economies and the immense advantages that can accrue from coordinated efforts, particularly in the context of a world that is rapidly moving towards a system of compartmentalized trading blocs. Resolute efforts are now in progress for the early establishment of the African Economic Community. The draft treaty for the Community is itself scheduled for examination by the Assembly of African Heads of State and Government of the Organization of African Unity at its June 1991 meeting. The Commission has continued to give its support to these ongoing efforts.

4. In this regard, special attention is being paid not only to the institutional requirements for the establishment of the African Economic Community, but also to a wide range of related substantive questions. Activities in the various programmes focus on the need for member States to adopt, at the intercountry level, policies and programmes that expand the production base for consumer and producer goods and develop essential

services. Important among such policies and programmes are measures to maximize economies of cost and scale, particularly in respect of the development of the manufacturing sector, the utilization of energy resources and the exploitation and processing of raw materials. Equally important in this regard are activities for the improvement of production and distribution channels for domestic and intra-African trade, the strengthening of the region's various trade-oriented and multisectoral intergovernmental organizations, and the development of more effective institutions and mechanisms for domestic and external resource mobilization and utilization.

5. The institutional machinery of the Commission's five Multinational Programming and Operational Centres (MULPOCs) is being used more effectively to provide the required support within the framework recommended by the review team set up by the Secretary-General to review the organization and functioning of the Centres with a view to strengthening them, and which has now been endorsed by the General Assembly.

6. The African Alternative Framework for Structural Adjustment Programmes for Socio-Economic Recovery and Transformation identifies the basic problems facing African economies in initiating and sustaining viable economic and social processes. It is now evident that measures designed to rectify short-term internal and external imbalances do not in themselves bring about sustained growth and development. Such measures, while necessary, must be taken within the context of Africa's long-term perspectives. It is in this sense that the policy reform measures proposed in the Framework are consistent with the development aspects of the Programme of Action and the Lagos Plan of Action. This consistency will continue to provide the internal logic for all activities to be carried out by the Commission during the 1990s.

7. The Commission conducted a review and assessment of the implementation of the Lagos Plan of Action and the Final Act of Lagos 10 years after their adoption, at its session in May 1991. Preliminary work for that review and assessment indicated that the objectives and principles of the Lagos Plan of Action and the Final Act of Lagos remain as valid as ever. As such, their vigorous and accelerated implementation are critical to the rapid recovery and transformation of African economies. For the remaining period of the Plan, however, greater attention would have to be paid:

(a) To the inclusion of African cultural dimensions in the plans and programmes for development in the region;

(b) To a greater focus on human resources development;

(c) To the enhancement of popular participation in the implementation of the objectives of the Plan;

(d) To the need to keep an equitable balance between population and the environment;

(e) To the greater enhancement of sectoral linkages and integration at the national and subregional level.

8. The General Assembly will conduct the final review of the Programme of Action in 1991. A number of activities have already been undertaken under the aegis of the Commission in this regard and within the guidelines provided by the General Assembly. On the basis of questionnaires and evaluation missions sent to member States, the Commission, for its part, will address a special memorandum on the final review and appraisal of the Programme of Action as input to the review by the General Assembly.

9. In the specific substantive areas of activity, the designated priority areas of the Programme of Action, namely, food and agriculture; industry, transport and communications, and trade and finance; the environment, including, especially, drought and desertification; human resources development, planning and utilization; and policy reforms covering such strategic issues as the judicious application of incentives and disincentives in structural adjustment, growth and transformation, and in the achievement of a balance between the public and private sectors on the one hand, and the domestic and external sectors on the other, continue to be concerns of ECA.

10. Research, studies and training in socio-economic imbalances and disequilibria and the development process also remain important aspects of the Commission's activities, particularly in terms of the support they provide to operational activities on structural adjustment and recovery programmes. The question of resource mobilization and utilization also continues to be a significant focus of attention in the Commission's programme of work and priorities. This relates especially to Africa's intractable debt problem and to measures for the reduction of the stock of debt and its effective management.

11. Deficiency in skill endowment is a recognized shortcoming in all sectors of the African economy. It is particularly critical in the fields of general economic management, the development of indigenous entrepreneurship, short- and medium-term economic policy design and management, and long-term planning for economic transformation. There is above all the need to incorporate the human factor in the adjustment and transformation process. The lack of efficient information systems, including statistical databases, must be singled out as a critical factor in the definition of policy and the monitoring of its implementation. ECA activities continue to strive towards rectifying these deficiencies.

12. In 1991, the Commission will approve and recommend to the international community through the Economic and Social Council and the General Assembly, the programmes for the Second Transport and Communications Decade in Africa and the Second Industrial Development Decade in Africa.

13. ECA, along with the other organizations of the United Nations system, has continued to review and update traditional mechanisms for effecting United Nations operational activities as they relate to regional cooperation for development in Africa. This pertains especially to the need to enhance the multidisciplinary approach to development. As of 1991, the regional advisers under the Commission's regular programme of technical cooperation have been

reorganized into an ECA Multidisciplinary Regional Advisory Group. The Group will work specifically on the interlocking requirements for strategy at the national, subregional and regional levels, the links between the normative research and analysis work that the Commission does on the one hand, and the operational activities it undertakes for the benefit of member States on the other.

14. Within the context of the medium-term plan for the period 1992-1997, the General Assembly has approved the establishment of a global programme on Africa's economic recovery, development and transformation. This programme, together with the system-wide plan of action for African economic recovery and development, which will be put into effect in 1992, should provide a valuable bridge between the expected expanded support to Africa by the international community and African countries' own efforts at the revitalization of economic growth and development. ECA will continue to play its role as the main economic and social development centre for the region and will exercise team leadership and responsibility for coordination and cooperation at the regional level in the implementation of the programme and the system-wide plan. In this regard, it will continue to provide input to intergovernmental bodies and render technical assistance to member States, particularly with respect to the analysis and formulation of possible solutions to substantive multisectoral economic and social problems facing member States.

## G. Economic Commission for Latin America and the Caribbean

1. The secretariat of the Economic Commission for Latin America and the Caribbean (ECLAC) has kept pace with the entire process of formulating the International Development Strategy for the Fourth United Nations Development Decade. The matter was discussed at its twenty-second session, held at Rio de Janeiro in April 1988, the sixteenth session of the Committee of High-level Government Experts (CEGAN), held in New York in March and May 1989, the twentieth session of the Committee of the Whole, held in New York in March 1989, the seventeenth session of CEGAN, held at La Paz in March 1990 and the twenty-third session of the Commission, held at Caracas in May 1990. As requested by Governments at each of those meetings, the secretariat prepared documents containing background information and proposals.

2. At the sixteenth session of CEGAN, the Latin American and Caribbean countries prepared a set of basic guidelines for the process of formulating the International Development Strategy. In essence, those guidelines proposed that the Strategy centre around two objectives:

(a) Reversing the negative net transfer of resources or increasing the amounts currently transferred when the flow is positive but insufficient;

(b) Improving the living conditions of the broad masses of the population of the developing countries and, in particular, reducing or eliminating situations of extreme poverty in which enormous sectors of mankind are now forced to exist.

3. The International Development Strategy for the Fourth United Nations Development Decade, like the Declaration on International Economic Cooperation adopted by the General Assembly in May 1990, differs from the Strategies for previous decades by calling for an innovative compromise between the internal effort required from the developing countries and the international cooperation to be provided by the developed countries.

4. This new formula would be especially beneficial for Latin America as the 1980s and, even more so, the beginning of the 1990s have been characterized by the tremendous internal effort that countries are making to overcome the crisis they are experiencing. Countries have been transferring financial resources amounting to close to 4 per cent of their gross national product to the developed countries every year, thereby giving rise to enormous interval costs which in not a few cases have resulted simultaneously in economic depression, inflation and a sharp drop in investment. In recent years, this effort has been combined with sweeping economic and institutional reforms aimed at re-establishing macroeconomic equilibria and promoting efficiency. Thus, not only has the internal effort been kept up, it has even been intensified. In spite of this, in many cases the effort has not borne the fruit expected of it owing to the persistence of an unfavourable international climate. The ECLAC secretariat has prepared proposals relating to external indebtedness, which is a problem of particular importance in the region.

5. According to those proposals, if the efforts being made within the countries of the region are to achieve the objectives sought, it is now essential to establish new equilibria in the developed countries, in which the real interest rate is held down and an effort is made to introduce stability in exchange rates and to take political measures that resolve the problem of external indebtedness and make international trade operate more smoothly by lifting tariff and non-tariff barriers. In the past, ECLAC has proposed monitoring the net transfer of resources since financial and commercial measures and official development aid should be able to reverse the present trend. In the case of Latin America and the Caribbean, the net transfer of resources was still highly negative as of 1990.

6. With regard to the social situation, the countries of the region have embarked on policies to combat poverty. So far these efforts have accomplished no more than a reduction in the negative consequences of the crisis, without eliminating them, with the result that poverty percentages continue to rise. In areas such as education and health, the struggle to achieve better results with fewer resources by effecting institutional reforms and increasing efficiency does nothing to soften the impact of the tremendous reduction in public expenditure. The recent health problems experienced in Peru may constitute a warning signal of deterioration in the social situation. Thus, the mobilization of international cooperation to ensure the capacity of countries to move ahead in the development of their human resources and in tackling growing social inequality will meet with a favourable response in view of the political will of countries to allocate their scarce resources to efforts to deal with the situation of the most underprivileged sectors of their population.

## H. Economic and Social Commission for Asia and the Pacific

### A. Background

1. The Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, contained in General Assembly resolution S-18/3, proclaims the strong commitment of States Members of the United Nations to promote international economic cooperation for the sustained growth of the world economy and, in particular, the revitalization of economic growth and development of the developing countries so as to realize the basic right of all human beings to a life free from hunger, poverty, ignorance, disease and fear. To achieve that end, the Declaration lays down commitments and policies for international development cooperation.

2. The Economic and Social Commission for Asia and the Pacific (ESCAP) has formulated and pursued programmes aimed at the initiation and acceleration of the growth and development of the region's developing countries, which have maintained higher than world average rates of economic growth and relatively low rates of inflation over the years. Dynamic growth in exports from the region has been a potent force in its sustained dynamism notwithstanding the marked slow-down that was indicated in 1990 and the insufficient progress of the region's least developed and other smaller economies. Domestic factors such as infrastructural bottlenecks contributed to the recent slow-down but developments in the international arena were particularly decisive in causing the recent economic slow-down in the region. The slow-down in world economic growth and trade, reinforcing the trend emerging in 1989, continued weaknesses of commodity prices, protectionist pressures against exports from the region and the failure of the Uruguay Round of multilateral trade negotiations to end conclusively in December 1990, were detrimental to the economic performance of the trade-oriented economies of the region. The higher oil prices that prevailed in the second half of 1990 consequent upon the Persian Gulf crisis, the loss of remittances from the Persian Gulf region to a number of labour-exporting countries and the cost of repatriation of a large number of the workers, added to the balance-of-payments deficits of many countries and to domestic inflationary pressures.

3. The region's generally good economic performance can be largely attributed to national economic policies and management that have emphasized the promotion of investment and exports for accelerated growth while maintaining price stability. In more recent years, the general tenor in domestic policy has been further liberalization involving removal or relaxation of controls and licensing requirements for industrial investment, liberalization of existing laws or promulgation of new ones providing more incentives for foreign investment, less protection to domestic industry from foreign competition, and greather emphasis on the role of the private sector, including privatization of existing public enterprises. Many countries in the region have also moved towards greater liberalization of their foreign trade regimes along with exchange rate and other financial reforms.

4. These trends in economic and social development and policy liberalization in the region have been highlighted in the ESCAP secretariat's Economic and Social Survey of Asia and the Pacific. On the question of privatization, for example, the 1990 Survey reports the following findings: privatization has engaged the attention of policy makers in many countries during the 1980s. The idea appealed to many developing countries and became an important item in the policy agenda for overcoming some of their economic problems such as budgetary deficits and current account imbalances. Implementation of the privatization process, however, has raised several issues of crucial importance. The experience of privatization in the region shows that technical and other problems that are encountered in the process have yet to be satisfactorily resolved. These difficulties include a lack of skilled personnel to evaluate the marketable assets of public enterprises, a further aspect of which is the thinness of capital markets. Legal obstacles and protracted negotiations with employees about the terms and conditions of their future employment in the private sector are some of the other difficulties encountered in attempts to privatize public enterprises.

5. Thus, although most countries in the region were proceeding with their plans to privatize existing public enterprises and even enlisting the support of the private sector in the development of new activities, including, in some cases, development of basic infrastructures, progress was bound to be slow owing to factors such as those mentioned above.

6. In the meanwhile, the developing countries in the ESCAP region, notwithstanding the high rates of economic growth achieved in recent years, continue to face deep-seated social problems, the most widespread of which is poverty. The region is estimated to contain three fourths of the total number of poor people in the developing world. Poverty is manifested, among other things, by undernourishment and malnourishment, ill health and illiteracy. Increasingly, large sections of the population are being marginalized into landlessness; women, children and the elderly are being exposed to the most telling impacts of deprivation. Such groups as refugees and displaced persons have added further dimensions to the poverty problem. Environmental degradation not unrelated to poverty is another problem. This has intensified in recent years. Countries in the region have attempted to alleviate poverty and to some extent slow down the degradation of their environment. More needs to be done, however, if they are to succeed.

7. ESCAP has in the past year refocused, expanded or intensified many of its programmes in order to make them more directly responsive to the commitments and policies of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries. At the same time, it has launched new initiatives in order to deal with new challenges and opportunities arising in the international economic and political environment as described in the Declaration. These programmes and initiatives are intended for vigorous implementation in the ESCAP region throughout the 1990s.

## B. Activities of ESCAP

8. At its forty-seventh session, in Seoul, the Commission considered the question of new global initiatives in the field of economic and social development, including the International Development Strategy for the Fourth United Nations Development Decade, the Programme of Action for the Least Developed Countries and progress in the Uruguay Round.

### 1. Goals

9. In broad terms, the programmes and initiatives of ESCAP directly promoting the commitments and policies of the Declaration, intended for pursuit during the 1990s, are geared to achieve four major goals: (a) the reactivation and acceleration of economic growth among the region's countries, in particular the developing ones, (b) the intensification of social development, focusing specifically on the alleviation of poverty, (c) the protection of the environment, and (d) the strengthening of regional cooperation.

### 2. Implementing policies and measures

10. The above-mentioned goals are to be attained through implementation by countries of the region of a constellation of policies and measures directed at the revitalization and expansion of production, the expansion of infrastructure, the regeneration of agriculture, the restructuring of industry, the acceleration of technological development, and the invigoration of international trade and investment in the region. In the social area, the highest priority is being given to poverty alleviation and the setting up of complementary facilities and services in the areas of health, housing and education. Women are to be given roles comparable to those given to men in all aspects of economic activity and social life. The growth rate of population in the region is to be reduced. The protection of the environment is to be ensured through the more judicious regulation and monitoring of industrial activity, complemented by a vigorous implementation of poverty eradication and population moderation programmes, and the establishment of national, regional or international schemes or institutions for addressing region-wide environmental issues. Finally, cooperation must be forged and strengthened among the countries of the region as a necessary step in the creation and sustenance of an international economic environment supportive of the development and transformation objectives of all the region's countries.

11. The character and thrust of the policies and measures necessary to bring about the attainment of these economic, social, environmental and regional cooperation objectives are outlined in the region's strategy for implementation of the International Development Strategy for the Fourth United Nations Development Decade (see E/ESCAP/752).

### 3. Specific projects and programmes

12. Accordingly, the Commission is currently implementing or is about to implement, inter alia, the following specific projects or programmes:

(a) Acceleration of economic development

(i) The promotion of employment and productivity in the light of new technological developments, the assessment of new roles for private and public sectors in the development process and the restructuring of the developing ESCAP economies in the 1990s;

(ii) The activation of growth among the region's least developed countries along the lines envisioned in the Substantial New Programme of Action for the 1980s for the Least Developed Countries;

(iii) The strengthening of the development policy and planning process in the Pacific island countries and the promotion of trade and investment cooperation among them and with the rest of the ESCAP region;

(iv) Rural development, focusing on improving the condition of disadvantaged groups;

(v) Coordination of a regional inter-agency programme in integrated rural development;

(vi) Development of agro-allied industries and small- and medium-scale industries;

(vii) Regional and subregional industrial cooperation;

(viii) Industrial policy/strategies formulation;

(ix) Resource mobilization and project development and implementation;

(b) Intensification of social development

(i) Social development policies and coordination;

(ii) Health and development;

(iii) Human resources development;

(iv) Popular participation, including the participation of women, youth, the disabled and the elderly in development;

(v) Integrated settlements policies and planning;

(vi) Development of shelter, infrastructure and land;

(vii) Stimulation of institutional capabilities and public participation;

(c) Protection of the environment

(i) Environmental protection, including the creation of environmental awareness, incorporation of environmental considerations in development planning and process, management of terrestrial ecosystems, and protection of the marine environment and related ecosystems;

(d) Strengthening of regional cooperation

(i) Trade expansion and trade facilitation measures and monetary cooperation;

(ii) Trade promotion and development;

(iii) Improvement of trade performance of least developed, land-locked and island developing countries;

(iv) Promotion of economic cooperation among developing countries in trade-related areas.

13. In this connection, the Commission will consider the establishment, as a part of its subsidiary structure, of a standing committee for regional economic cooperation. The Commission will consider providing the committee, if it is established, with a broad mandate to actively promote and concretize economic cooperation in various fields among the region's countries with a view to giving impetus to the development of their economies and the enhancement of the welfare of their populations.

## II. SPECIALIZED AGENCIES AND RELATED ORGANIZATIONS

### A. International Labour Organisation

1. Governments have the key role in providing the supportive external environment and strengthened national policies called for in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, which is addressed primarily to them. None the less, as the Declaration indicates, the United Nations system can also do much to promote international cooperation for the revitalization of development in the 1990s, particularly by ensuring that issues are addressed in an integrated manner. ILO would expect to do this in the context of the implementation of the International Development Strategy for the Fourth United Nations Development Decade, which has become the basic framework of action of the United Nations system.

2. The Declaration was brought to the attention of the International Organisations Committee of the ILO Governing Body at its 248th session in November 1990. As indicated in the report of the Committee (GB.248/12/25, paras. 33-41), which was subsequently noted by the Governing Body, the Committee had an extensive discussion about the Declaration. There was general agreement with the view expressed in the ILO paper (GB.248/10/2/3, para. 5) that the question of the implementation of the Declaration was closely linked to the International Development Strategy.

3. The International Organisations Committee reviewed the Strategy on 22 February 1991, during its 249th session, and made a number of recommendations, which the Governing Body subsequently approved. In the view of the Governing Body, the participation of ILO in the elaboration and implementation of the International Development Strategy for the Fourth United Nations Development Decade constitutes its contribution to the implementation of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries.

## B. Food and Agriculture Organization of the United Nations

1. The support of FAO for the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and its contribution to the preparatory work for the eighteenth special session of the General Assembly, were summarized in the statement of the FAO delegation to the Economic and Social Council at its second regular session of 1990. It was noted in that statement that FAO fully supports the emphasis placed by the Declaration on improved national policies and the creation of a supportive international environment as the mainstay of efforts to achieve the objective of the revitalization of economic growth and development in the developing countries. Within this wider context, the area of human development, nutrition and sustainable development must receive particular attention.

2. Many of the programmes and activities of FAO contribute towards helping member countries in the efforts to achieve the objectives set out in the Declaration. The FAO Long-term Strategy for the Food and Agriculture Sector was presented to the FAO Council at its November 1990 session for discussion. This document, which was endorsed by the Council, focuses on policy actions at both the national and the international level that are necessary for enabling the food and agriculture sector to play its legitimate role in the economic growth process and in achieving the objectives of eradication of poverty and hunger, development of human resources and ensuring sustainability in development.

3. Consistent with the Long-term Strategy, FAO is preparing a medium-term plan which charts the direction of its programme of work for the period 1992-1997. The medium-term plan, which will be submitted to the next session of the FAO Conference, in November 1991, has the following major themes:

(a) Sustainable development and environmental protection;

(b) Policy advice, including the role of FAO in collecting and disseminating information;

(c) Women in development;

(d) Human resources development;

(e) Economic and technical cooperation among developing countries.

4. The contribution of the medium-term plan is to anticipate changing perceptions and conditions affecting global food, agriculture and development, and to identify changes in the programme that would, inter alia, enhance the contribution of FAO to the goals set out in the Declaration.

5. In addition to developing medium- and long-term plans and strategies, many of the ongoing programmes of FAO directly contribute to the ability of member countries to achieve the goals of the Declaration. A few of the more directly related programmes are described below.

6. FAO provides technical assistance to member countries in the field of agricultural policy analysis and advice, including enhancing national capabilities in this area. The increase in requests from member countries for assistance in policy-related matters has been unprecedented and policy assistance has become a major factor shaping the Organization's field programme. Requests include those for assistance in analysing policy options to provide a basis for sector adjustment programmes, assessing the effects of sector adjustment programmes on the agricultural and rural sectors, and conducting sector policy and performance reviews to guide decisions on national agricultural development strategies. In addition, countries in Eastern Europe and Asia, embarking on the transition from centrally planned to market-oriented economies, have requested assistance in the design and implementation of new policies. Assistarce is also provided in building policy analysis institutions, training agricultural planning and policy analysts and mobilizing resources for investment in agriculture and the rural sector. A new area of emphasis is assistance in the integration of environmental and sustainability concerns in agricultural, food and development policies. FAO is strengthening its collaboration with the World Bank and the International Monetary Fund (IMF), as well as its internal coordination mechanism to improve its capacity for policy advice.

7. Policy analysis work focuses as far as possible and as appropriate on aspects of equity, access to food, human resources development and the role of women in food production and development. In addition, a number of parallel FAO activities promote policies of more direct relevance to human development concerns, notably policies in the areas of nutrition, food security and rural development. In the latter area, much of the work of FAO takes place within the framework of the Declaration of Principles and Programme of Action, adopted by the World Conference on Agrarian Reform and Rural Development in 1979. In the area of policies for improving nutrition, FAO and WHO are in the

process of organizing the International Conference on Nutrition, to be held in December 1992, with a view to forging international consensus for action in that area.

8. The Organization's attention to the role of women in development dates back to its foundation. Additional emphasis was given to this question under the Plan of Action for Integration of Women in Development approved by the FAO Council in November 1988. The Plan's objective is to bring about change to ensure that, in the Organization's sphere of responsibility, women are accorded equal rights and opportunities and that their potential contributions are put to good use by national societies. The Plan identifies measures in four spheres: the civil, the economic, the social and the decision-making. Thus, women in development is not as much a separate element of the FAO programme as a concern and awareness that cuts across all aspects of the programme.

9. People's attention in the development process through their own organizations is supported by FAO activities that promote the establishment and strengthening of self-financed and self-managed farmers' and other rural organizations. Development of training materials on farmer groups and organizations, development of guidelines and the integration of participatory approaches into overall rural development strategies, programmes and projects are all important components of the Organization's efforts to support people's participation.

10. FAO also provides technical assistance in support of economic and technical cooperation among developing countries in cooperation with regional and subregional organizations. Assistance is in the form of technical support and advice on the analysis of policy issues of common concern to regional cooperation in the food and agriculture sector; institutionalizing regional capacity in agricultural development planning and policy analysis; reviewing the role, policy framework and lessons from experience in channelling private sector investment in the agricultural sector. Specific examples of FAO activities include assistance to the Committee on Food, Agriculture and Forestry of the Association of South-East Asian Nations (ASEAN) in the preparation of proposals to strengthen regional cooperation. Assistance to the Organization of African Unity in an effort to formulate a common African agricultural programme is another recent example. Economic and technical cooperation among developing countries is also strengthened by increasing emphasis on the training of trainers and development of cooperative programmes with national institutions in regional training programmes, especially in policy and planning.

11. Issues concerning agricultual trade policy are regularly discussed in the Committee on Commodity Problems. Developments in agricultural protectionism have been a major item of the Committee's agenda for over a decade. Through its numerous subsidiary bodies, the Intergovernmental Commodity Groups, the Committee monitors developments in trade policies, protectionism and action taken to reduce barriers to trade in many of the most important agricultural commodities. Recommendations of the Organization's governing bodies regarding

the multilateral trading system are fully in line with the views expressed in paragraph 32 of the Declaration.

12. The Intergovernmental Commodity Groups are in agreement with the key role played by commodity exports, which is stressed in paragraph 33 of the Declaration. With the Common Fund for Commodities now becoming operational and the recent designation of a number of the Intergovernmental Groups as International Commodity Bodies, they will be involved in sponsoring measures and projects in areas of research and development, productivity improvement and marketing of the commodities they cover. These projects are expected to be financed under the Second Account of the Common Fund.

13. The Organization's technical support to the Uruguay Round of multilateral trade negotiations takes a variety of forms. Direct support has included the provision of statistics and analytical documents, as well as attendance at meetings of negotiating groups on agriculture, tropical products and natural resource-based products and certain technical subgroups. FAO is also continuing to provide, on request, technical assistance to countries or groups of countries, particularly developing countries, in connection with matters under the negotiations. Furthermore, following the reference in the Punta del Este Declaration to the need for minimizing the adverse effects that sanitary and phytosanitary regulations and barriers can have on trade, taking into account the relevant international agreements, FAO has been participating actively in the General Agreement on Tariffs and Trade (GATT) Working Group on Sanitary and Phytosanitary Regulations in view of its mandate in relation to the FAO/WHO Codex Alimentarius Commission and the International Plant Protection Convention. In November 1989, the FAO Conference urged that FAO support in this area should continue and, where appropriate, be intensified. The GATT member countries have expressed strong support for the work of FAO on sanitary and phytosanitary regulations and it is expected that the final agreement on sanitary and phytosanitary matters will take full account of the work related to the Codex Alimentarius and the Convention in harmonizing national rules and standards. At the FAO/WHO Conference on Food Standards, Chemicals in Food and Food Trade, held in Rome from 18 to 27 March 1991, the representative of GATT, speaking of the need to ensure that sanitary and phytosanitary measures were not used as unjustified barriers to trade, confirmed that GATT relied on the international standards of the Codex Alimentarius Commission and of other appropriate international bodies, as a basis for the harmonization of national sanitary measures. The representative of GATT added that a detailed draft text for an agreement had been prepared, in cooperation with the secretariat of the Codex Alimentarius Commission, and was now awaiting final consideration. The Conference noted the importance of concluding an agreement on sanitary and phytosanitary measures under the Uruguay Round of multilateral trade negotiations and also noted that, under the proposed decision of the GATT contracting parties in this area, the contracting parties could be required to justify deviations from the sanitary requirements of the standards of the Codex Alimentarius Commission, regardless of whether the standards had been accepted by the contracting parties. To enable developing countries to be in a position to meet the sanitary and other requirements of the Codex standards and to increase their food exports, the

Conference recommended that FAO and WHO strengthen their technical assistance to them in the food control area. In the field of plant quarantine, FAO is closely cooperating with regional plant protection organizations to develop a programme on harmonization of plant quarantine principles, past risk assessment and, where possible, quarantine treatments.

14. Finally, the many areas of work of FAO that are related to the environment and the promotion of sustainable development are directly supportive of the Declaration. In response to the directive adopted by the Conference at its twenty-fifth session, held in 1989, FAO is strengthening its programme in this area. In April 1991, jointly with the Government of the Netherlands, FAO organized a Conference on Agriculture and the Environment to help prepare the Organization's inputs to the United Nations Conference on Environment and Development to be held in Brazil in 1992. Internal coordination mechanisms have been put in place to ensure an interdisciplinary approach to environment and sustainable development activities across the various FAO programmes. That environment and sustainable development was selected by the Director-General as one of the five cross-sectoral themes to receive special emphasis in the Organization's medium-term plan is further evidence of the importance FAO attaches to this programme area.

15. The Organization's programmes in forestry and fisheries are important contributors to its overall effort related to environment and sustainable development and to implementation of the Declaration. FAO activities in support of the Declaration in the area of fisheries are reflected in the Strategy for Fisheries Management and Development endorsed by the 1984 World Conference on Fisheries Management and Development. Likewise, in the area of forestry, the activities of FAO are largely encompassed under the Tropical Forestry Action Plan, which recognizes that problems facing the forest sector can only be solved through an interdisciplinary approach. The Plan's principles are framed to assist member countries in making full use of their forestry potential to improve the lives of rural people, to increase food production, to ensure the sustainable use of forests, to increase supplies of fuelwood and the efficiency of its use, and to expand income and employment opportunities.

## C. International Civil Aviation Organization

1. One of the basic objectives of the International Civil Aviation Organization (ICAO) is to meet the needs of the peoples of the world for safe, regular, efficient and economical air transport. The role of air transport in the economic and social development of developing countries is increasingly recognized as an important tool, providing a vital means of opening up remote regions isolated by difficult terrain, with a relatively limited infrastructure.

2. In the air transport field, the Organization's main efforts are directed towards continuing programmes of regulatory and economic studies, economic research, analysis and civil aviation forecasting, air carrier tariffs,

collection and publication of air transport statistics, airport and route facility management and the promotion of greater facilitation in international air transport.

3. Conferences in the field of air transport economics provide an opportunity for policy makers in all countries to determine the most efficient and economic development of their civil aviation infrastructure. For example, a conference will be convened by ICAO in late 1991 on airport and route facility management, through which civil aviation administrations can seek to make the provision of airports and en route air navigation facilities and services as cost-effective and financially self-sufficient as possible.

4. ICAO also continues to work very closely with regional civil aviation commissions in the developing world, notably the African Civil Aviation Commission and the Latin American Civil Aviation Commission, which have as their mandate the identification of obstacles to civil aviation development in their regions and seeking measures to overcome them.

## D. World Health Organization

1. WHO appreciates the solemn commitment made by States Members of the United Nations to promote the revitalization of economic growth and development so that all human beings will realize their basic right to a life free from hunger, poverty, ignorance, disease and fear. This objective is completely in line with the principle and objectives of WHO, as stated in its Constitution and as pursued in its technical cooperation with countries. The Organization is committed to the implementation of the policies governing international development cooperation, relevant to its mandate, as outlined in the Declaration. In particular, it is committed to maximizing the potential of all members of society through health, nutrition and essential social services, housing, population policies, health education and training, and in so doing contributing to sustained economic growth and development (para. 25). WHO is also deeply concerned about the current threat to the environment and the adverse effect of pollution and environmental degradation in its various forms on human health (para. 29).

2. In pursuit of the goal of health for all by the year 2000 through the primary health care approach (endorsed by the United Nations General Assembly in 1979), the Director-General has identified areas for added emphasis that are directly linked to the policies of the Declaration, and that have been endorsed by the governing bodies of WHO.

3. The first area is the relationship between the world economic crisis and health. In response both to the recently stated needs of the least developed countries and to the unacceptable health situation of the poorest communities everywhere, WHO has launched an initiative to intensify international support for health development. Using a country-specific approach, the initiative seeks more rational and effective development of health activities and improved relevance and efficacy of aid flows, including their management and

coordination. Long-term objectives of the initiative are (a) the development of human resources and capacities in the health sector, (b) the strengthening of national infrastructures and (c) the development of capabilities for micro-economic and macro-economic analysis. Short- and medium-term activities will focus on speeding up the control of certain diseases, technical advice and support to Governments, studies of health financing and legislation, transfer of appropriate technologies and health education and information. The intiative will be promoted and developed in close liaison with United Nations agencies and international financing and assistance agencies at the country level.

4. The second area, the WHO Commission on Health and Environment, established early in 1990 under the chairmanship of Mme Simone Veil, is now fully operational. Its objectives are to describe the main environmental determinants affecting health, to identify the resultant health impacts, to indicate trends that may occur over the next two decades, to identify research needs and to suggest general strategies for WHO and the world community to prevent or mitigate the most serious adverse environmental health trends. The work of the Commission will also contribute to the United Nations Conference on Environment and Development, to be held in June 1992.

5. Greater emphasis is being given to the third area - prevention of malnutrition of all kinds - which is usually associated with poverty in every country in the world. Improper dietary practices are also widespread and lead to sickness and early death, and in turn have an adverse effect on human resources development. For this reason, WHO and FAO, in collaboration with other United Nations organizations, are organizing the International Conference on Nutrition, to be held in December 1992. The magnitude of the problem of malnutrition and its deleterious effect on people and society as a whole has been discussed in many forums over a long period of time. The Conference is expected to take concrete action to combat malnutrition and to lead to peoples' nutritional status being universally recognized as one of the important objectives and major indicators of development efforts.

6. The fourth area is the Organization's integrated approach to disease control and health promotion as part of overall socio-economic development. WHO advocates the participation of all sectors and development partners in priority areas, which include control of preventable diseases to which children and women, especially mothers, are particularly exposed; prevention and control of cancer and treatment of those affected; diabetes control; discouragement of tobacco use, and the prevention and control of HIV infection and AIDS, and related problems such as drug and alcohol abuse and the control of sexually transmitted diseases.

7. The fifth area is the dissemination of information and education for health in order to motivate people to want to be healthy, to know how to stay healthy, to seek help when needed, and to do what they can individually and collectively to maintain and promote health in a dynamic interaction and partnership with health services. The achievement of this also involves intersectoral action to promote health as a part of the revitalization of growth and development of the developing countries.

8. The Organization is, however, fully aware of the implications for health and development of the rapid and sometimes unpredictable changes in the political, economic and social conditions that occur both globally and at the country level. The Director-General is therefore taking steps to build a new forward-looking "health paradigm" to serve as a framework for future priority-setting and operational implementation of international health work, with due attention to the Organization's scientific, normative and coordinating function, as well as its role in technical cooperation, especially in the developing countries.

## E. International Monetary Fund

1. The International Monetary Fund has been assisting developing member countries in the formulation of economic policies and in the design of structural reforms aiming at revitalizing their economic growth and development. During 1989/90 the Fund approved 26 new arrangements for developing countries that adopted such policies and reforms, in an amount totalling over SDR 11 billion, the largest sum since 1984/85. Of these, 16 were in the form of stand-by arrangements, involving total commitments of SDR 3.2 billion of Fund resources, three were extended arrangements with total commitments of SDR 7.6 billion, and seven were facilities under the structural adjustment facility (SAF) and the enhanced structural adjustment facility (ESAF), which are special growth-promoting facilities available to assist low-income countries with protracted payments problems in the amount of SDR 460 million.

2. The Fund has continued to play an important role in providing policy advice and financial assistance to heavily indebted countries, helping them persevere with policy adjustments and reforms that lay the basis for price stability, external creditworthiness and sustained growth. In recent years, the debt strategy has been strengthened by measures to reduce debt burdens through debt- and debt-service reduction operations. In 1989, the IMF Executive Board set guidelines for countries eligible to receive Fund support for debt-service and debt-reduction operations. In the course of 1989/90, four Fund member countries were deemed eligible to receive support for debt-reduction operations, and three of them concluded agreements on financing packages with their commercial bank creditors.

3. The Fund is also paying increasing attention to social issues confronting members seeking support for their adjustment programmes. Although sound economic policies are essential to achieve sustainable growth for the lasting alleviation of poverty, some policy changes can adversely affect some of the poor in the short run. To better understand these possible effects, the fund is improving its database of the poor in individual member countries, and is strengthening its collaboration with the World Bank, United Nations agencies and non-governmental organizations. The Fund is also discussing with country authorities the effects of policy adjustments on the poor, and examining whether programmes can be designed to lessen their adverse effect on the poor, without weakening adjustment. As a result of these efforts, a number of Fund-supported programmes have contained measures to compensate for the

adverse impact of certain economic developments and policies on specific groups among the poor.

## F. Universal Postal Union*

### General considerations on the role of the post in the revitalization of economic growth and development

1. The postal service contributes to economic growth and development in the same way as other modern means of communication: improving systems of collecting and delivering business mail and, in particular, advertising items, transmitting orders and transporting and delivering goods by increasingly rapid means to meet business requirements.

2. With special reference to the objectives of the Declaration, the Universal Postal Union (UPU) endeavours, in its field of responsibility, to meet the challenges and take the opportunities of the 1990s for the benefit of its member countries through the adoption of the so-called Declaration of Hamburg, 1984, and the Washington General Action Plan, in 1989, aimed, among other things, at:

(a) Implementation of the concept of the interdependence and integration of the world postal network;

(b) Continued efforts to improve the system of balanced exchanges: fair, cost-related payment or compensation;

(c) The introduction and, wherever possible, the putting into general use of technology as a quality of service instrument;

(d) Development of human resources;

(e) Implementation of the reform of management structures in postal corporations;

(f) Support for the efforts made by the countries of Eastern Europe for increased integration of the postal systems of those countries.

#### 1. Interdependence and integration of the world postal network

3. Since the Universal Postal Congress, held at Hamburg in 1984, UPU has endeavoured to improve the standards and speed of international mail by stressing the "interdependence of national networks" and the need to integrate them better to make mail circulation throughout the world more efficient, faster and more secure.

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* Previously circulated under the symbol CE 1991 - Doc 4/Add.1/Annex 2.

4. Monitoring machinery at UPU headquarters makes it possible to correct malfunctions, i.e., by providing technical support to postal administrations or corporations requiring it. These measures not only foster exchanges between people, they also effectively ensure flows between world economies.

## 2. System of balanced exchanges

5. Owing to a system of compensation for imbalances in mail exchanges between countries, in force since 1969 and improved since then by consensus at Universal Postal Congresses, relations between postal administrations have improved considerably to the extent that they may be termed as being imbued with increased solidarity. In addition to offsetting the consequences of unequal exchanges, the financial resources generated by the compensation system are aimed, in principle, at aiding in the modernization of the postal services of the beneficiary countries.

## 3. Use of technology for development

6. In view of the development of the postal market and the demands of its customers, all the postal services in the world need to use modern technology to ensure the speed, security and reliability of mail circulation.

7. Computerization and automation of all kinds of operations enhance the value of human capital and foster the modernization of work methods and service profitability.

8. The Universal Postal Union endeavours to help the developing countries to obtain access to the experience acquired by the industrialized countries and to computerized mail processing and tracking/tracing equipment. Efforts will continue to provide all postal services with adequate technological means.

## 4. Development of human resources

9. Because of the nature of their activities, the postal services depend, to a large extent, on human capital. Depending on the country, salaries account for between 55 and 80 per cent of postal corporation budgets.

10. For many years now, UPU has given top priority to the development of human resources, particularly through training.

11. One of the top priorities of the Washington General Action Plan, adopted by the Universal Postal Congress in 1989, is to modernize staff recruitment, employment and management systems. The actions advocated, which all postal administrations or corporations have to implement, are designed specifically to:

(a) Recruit and employ staff on similar terms to those in industry generally;

(b) Pay staff on a level comparable with similar sectors of the country's or region's economic activity;

(c) Introduce incentive and motivational machinery;

(d) Provide permanent training;

(e) Strengthen the internal communications system in the business.

## 5. Structural reforms

12. Postally, the structural reforms advocated in the above-mentioned Washington General Action Plan mainly cover administrative and financial management independence.

13. In the general context of the reform of the public sector in the developing countries, the postal administrations of the countries concerned should be given responsibility for management of human and financial resources to enable them to restructure successfully like the other businesses in the public sector. It is essential that they benefit from the assistance of the international community, in particular of the multilateral financial institutions.

14. In application of Washington Universal Postal Congress resolution C 7, the International Bureau seeks funds for postal corporations' reform and modernization programmes from the World Bank and the subregional and regional financial institutions.

15. The Postal Development Symposium, scheduled for the end of April 1991, provides an opportunity to establish a dialogue between the representatives of the beneficiary countries and those of the donor agencies or lenders of funds, particularly the financial and banking institutions.

16. It is to be hoped that the outcome of this meeting will give some encouraging signs about the conditions of financing reforms and modernization in the postal sector.

## 6. Eastern Europe: support for the postal services

17. UPU is paying particular attention to the postal service integration and modernization programmes under way or planned in the countries of Eastern Europe.

18. Since 1987, constant efforts have been made to help in the effective introduction of intraregional cooperation: adoption of a regional action plan and national action plans, establishment of a permanent committee to install and operate a self-sufficient regional network for information, know-how, training cooperation and technology transfer among the countries concerned.

19. Owing to the hospitality of the Polish Government, a symposium of Directors-General and a Conference of Ministers responsible for the postal services will be held at Warsaw in June 1991. These meetings should enable participants to go more deeply into the major problems of management and operation of the postal services in their countries and to plan the specific actions necessary.

20. Indeed, in view of the economic reforms taking place in the countries concerned and the effect they are bound to have on the postal sector, the postal administrations will have to quickly choose structures calculated to place them on the level of modern businesses.

21. UPU is determined to contribute to the necessary changes with the active cooperation of the industrialized countries of Western Europe and the financial help of international institutions.

## G. World Meteorological Organization

1. Because of the scientific and technical nature of its work, the World Meteorological Organization (WMO) is not involved directly with the revitalization of economic growth. However, much of its work, especially in its technical cooperation programme, has an impact on the meteorological and hydrological capabilities of developing countries. It is through an increased capability in these areas that developing countries benefit from meteorological, hydrological and climatological assistance.

2. Many of the projects and programmes administered and sponsored by WMO in the past were primarily directed towards the immediate needs of operational meteorology and hydrology. The economic benefits were more or less immediate or certainly felt in a few months.

3. Quite a few projects and programmes, and many of the current activities and those expected in the future, are and will be directed at the problem of climate change and environmental changes owing to pollution and depletion of the ozone balance. The results and benefits of these endeavours are much longer term and will influence the political and economic decision-making of Governments and intergovernmental bodies in the future. The benefits will be to individual countries and their cititzens, as well as to the globe as a whole.

4. WMO is dedicated to improving the basic safety and welfare of the citizens of the world, as well as their overall economic well-being, particularly in developing countries. Therefore, the overall goals of the Declaration on International Economic Cooperation, especially paragraphs 16 and 29 thereof, are being carried out with all the resources and effort available to WMO. The cooperative spirit between WMO and UNDP, ICAO, the International Telecommunication Union (ITU), UNEP and the United Nations family as a whole means that their combined expertise is brought to bear wherever and whenever possible to effect the intent of the Declaration.

## H. International Maritime Organization

[Original: English]

1. The International Maritime Organization (IMO) has the responsibility of promoting the improvement of global standards in maritime safety, training, legislation, prevention of marine pollution and related technical areas. For this purpose, a comprehensive regime of conventions and international instruments has been developed by IMO. These are supplemented by a large number of codes, recommendations, resolutions and guidelines on many aspects of the shipping industry.

2. IMO gives special emphasis to the effective implementation, in developing and developed countries, of the global standards endorsed by IMO, which constitute a necessary precondition for the effective participation of developing countries in international maritime transportation. In carrying out this policy, IMO has initiated and executed many different types of technical cooperation programmes and activities in virtually all the developing countries that have an interest in merchant shipping. These activities have included the provision of technical advisory services, sectoral support missions and fellowships, as well as the organization or support of seminars and other training events. IMO has, whenever practicable, based itself on the concept of technical cooperation among developing countries, as prescribed by the Buenos Aires Plan of Action, in adopting methods for implementing its projects.

3. The technical cooperation activities of IMO focus on manpower training and "institution-building" activities. For this purpose, assistance has been given to States in the establishment or modernization of maritime training academies and maritime safety administrations. Support and advice have also been given in related areas such as harmonization of maritime legislation, marine pollution prevention programmes and hydrographic services.

4. At the core of the training programme of IMO are the international maritime academies set up during the past decade under the auspices of the Organization. These are:

(a) The World Maritime University, established in 1983 in Malmö, Sweden;

(b) The Maritime Training Academy, established in 1988 in Trieste, Italy;

(c) The International Maritime Law Institute, established in Malta.

5. They are now well established and globally recognized for the positive impact of their courses on the maritime development of the participating countries.

6. The combined programmes of these IMO institutions have put into effect a comprehensive strategy for the development of human resources by promoting the highest quality of maritime training at all levels, the purpose of this being

the implementation of global standards by nationals who are as highly trained as any of their counterparts throughout the world. Through its various components, the strategy now covers all the elements required for a modern maritime infrastructure, thus providing scope for developing countries to have experts in all the necessary fields.

7. In view of the interdependent relation between shipping and trade, improved maritime services are conducive to more effective implementation of national development policies, particularly those calling for trade expansion.

8. In the light of the policies and directives of its organs and bodies, and the priorities of maritime administrations in developing countries, IMO is committed to the promotion of sound and efficient shipping infrastructures and services. Taking account also of its experience in technical cooperation, IMO will continue to assign priority to training in order to secure the uninterrupted development of highly qualified experts in the maritime field in all countries.

## I. World Intellectual Property Organization

The Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, the text of Economic and Social Council resolution 1990/54 on the implementation of the Declaration and the text of United Nations General Assembly resolution 45/234 will be brought to the attention of the governing bodies of WIPO in September-October 1991.

## J. United Nations Industrial Development Organization

1. UNIDO has undertaken a number of measures to adapt to the emerging trends in the global economic system and the increasing interdependence and integration of the world economy. These actions aim at making the Organization more responsive to the needs of developing countries and at addressing the challenges and opportunities for the 1990s as outlined in the Declaration.

2. UNIDO has incorporated the new generally agreed priorities of development in its medium-term plan, specifically those relating to human resources development, the mobilization of development finance, the environment and the transfer of technology. In addition, the activities of UNIDO try to promote domestic policies for industrial development both in the private sector and in the public sector enterprises in industry. This is accompanied by new initiatives within UNIDO such as the special trust funds that allow it to respond rapidly and with flexibility to the needs of industrial enterprises; the programme approach through which the Organization attempts to tackle development problems comprehensively, including subsectoral studies, policy advice, technical cooperation and investment activities, all these services being provided in an integrated, structured manner, and finally, the

establishment of still experimental industrial cooperation offices in some countries that could both benefit from, and contribute to, multilateral cooperation activities. The primary objective of these initiatives is to make the Organization more effective in assisting developing countries to diversify their economies and increase and stabilize export earnings, thereby contributing to the overall revitalization and economic growth of these countries.

3. Furthermore, UNIDO is in the process of organizational and staff restructuring. Its main purpose is to develop a better operational response to the changing external environment and to improve the quality of the outputs provided. This will, inter alia, be achieved through a simplification of the administrative structure, improved internal coordination, delegation of responsibility, increase in accountability and, above all, strengthening the country focus and technical orientation. Once again the objective is to enable the Organization to be more responsive to the needs and priorities of member States and to maximize its effectiveness in assisting them.

4. The efforts of UNIDO, significant as they are, particularly in the context of a zero real growth budget, cannot be compared in importance to the efforts of member States themselves. As a consequence, the success of adapting to change will depend as much on the perception and quality of organizational response as on the degree of its acceptance and the political support lent to it by member States.

## K. General Agreement on Tariffs and Trade

1. The instruments for multilateral cooperation established by the international community more than 40 years ago are now acquiring renewed importance in responding to the challenges raised by a rapidly changing world scene. This is true for the United Nations as well as for the specific instruments for world-wide cooperation established in the areas of trade, money and finance, i.e., GATT, IMF and the World Bank.

2. In the GATT Annual Report on International Trade 1989/90, which contains an overview of trade trends during the 1980s, GATT economists note that the ongoing integration of the world economy is not only providing an important stimulus to economic growth, but it is also adding to adjustment pressures and blurring the distinction between "domestic issues" and issues stemming from participation in world markets for goods, services and capital. Economic policies that 10 years ago were of little or no interest to trading partners are now potential sources of serious trade conflicts. Against such a constantly changing background, multilateral cooperation in the area of trade and in particular the rules and disciplines of the trading system have become more important both as a framework for the conduct of international economic relations and as an aid to Governments in dealing with the protectionist demands of special interest groups at home.

3. The activities undertaken in GATT in recent years have shown the strong will of Governments to enhance their multilateral trade cooperation within the framework of a strengthened and expanded multilateral trading system. This is a clear recognition by the international community of the fact that only a system that provides security and predictability in the international trading environment can offer adequate opportunities for investment, job creation, technological progress and expanded trade, growth and development.

4. During the 1980s, an increasing number of countries have shown an interest in joining the multilateral trading system of GATT. Participation in GATT has thus grown to the current level of 101 members, mainly through the accession of a number of developing countries. More significantly, many such countries have undertaken substantial commitments to open their markets during the negotiations on accession. This trend is also reflected in the request of China to resume its membership in GATT, the Soviet Union's request for observer status, which was granted in 1990, and the ongoing negotiations for accession by Bulgaria. Moreover, a number of GATT members in Central and Eastern Europe, as well as in Latin America, Asia and Africa, are undertaking radical economic and trade reforms, taking as a reference point the GATT principles and provisions. Poland, for example, has decided to renegotiate its terms of accession to GATT in order to bring them in line with its market-oriented economy. All these developments are a concrete expression of the will of these countries to increase multilateral cooperation in an open trading system.

5. Recognition of the need for strengthening multilateral trade cooperation was reflected in the launching of the Uruguay Round of multilateral trade negotiations, aimed at improving market access, strengthening of GATT rules and disciplines, extending rules to new areas and improving the functioning of the GATT system.

6. The agenda of the Uruguay Round and progress in the negotiations over the past four and a half years provide a clear indication of the policies and measures through which participating countries, both developed and developing, are seeking to enhance multilateral cooperation in the area of international trade:

(a) The further opening of world markets through the reduction and elimination of tariff and non-tariff barriers covering a broad range of sectors, including agriculture, textiles and clothing, tropical products and natural resource-based products;

(b) The strengthening and expanding of the existing framework of multilateral trade rules and disciplines in order to establish more predictable and more equitable conditions of competition. This includes bringing agriculture and textiles and clothing under GATT disciplines, improving the rules governing the use of safeguard measures, anti-dumping duties, subsidies and countervailing measures and other disciplines such as those governing dispute-settlement procedures;

(c) The inclusion of new areas of international trade such as trade-related aspects of intellectual property rights, trade-related investment measures and trade in services, with a view to bringing about a wider coverage of world trade under multilateral disciplines and to creating a more equitable and dynamic framework for the conduct of world trade;

(d) The improvement of the functioning of the GATT system through enhanced surveillance of trade policies, international reinforcement and increased contribution to achieving greater coherence in global economic policy-making.

7. During the course of the multilateral negotiations a large number of participants have noted that the globalization of the world economy has led to ever-growing interactions between the economic policies pursued by individual countries, including interactions between the structural, macroeconomic, trade, financial and development aspects of economic policy-making. While achieving greater coherence between these policies is primarily the responsibility of individual Governments at the national level, their coherence internationally is an important and valuable element in increasing the effectiveness of these policies. The interlinkages between the different aspects of economic policy require that the international institutions with responsibilities in each of these areas follow consistent and mutually supportive policies. Participants in the Uruguay Round have acknowledged the need for GATT to pursue and develop its cooperation with the international organizations responsible for monetary and financial matters, while respecting the mandate and the necessary autonomy in the decision-making procedures of each institution, and avoiding the imposition on Governments of cross-conditionality.

8. The need for an effective multilateral trading system is all the more important given the increasing number of developing countries' economies that are growing and diversifying. In recognition of this, developing countries have been active participants in the Uruguay Round negotiations from the beginning and have shown readiness to become active players in the trading system in accordance with their individual trade, financial and development needs. A significant number of developing countries have demonstrated willingness to make contributions in negotiations. On the other hand, the need for special and differential treatment for developing countries in specific areas is an important issue on the negotiating agenda, in particular with regard to the least developed countries, given their particular situation and problems.

9. In a number of areas, the Uruguay Round has already obtained positive results which could be developed further. The adoption of more efficient dispute-settlement procedures, the establishment of the new Trade Policy Review Mechanism, which has brought national trade policies under GATT surveillance in a concerted and comprehensive manner, as well as the fact that participants have largely avoided introducing new protective measures and intensifying existing ones, are some examples.

10. Negotiations are now continuing with a view to achieving a successful outcome on all issues, and ensuring that the objectives of the Uruguay Round are fully met. The success of the Uruguay Round will be an essential element in strengthening multilateral cooperation in international economic relations.

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